



Department of Justice

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INDIANAPOLIS WOMAN SENTENCED FOR MEDICAID FRAUD

PRESS RELEASE

INDIANAPOLIS - Joseph H. Hogsett, United States Attorney, announced today that Flora Jones, 52, Indianapolis, was sentenced to 13 months in prison today by U.S. District Judge Tanya Walton Pratt following her guilty plea to healthcare fraud. This case was the result of a six month investigation by the U. S. Department of Health and Human Services, Office of Inspector General, Office of investigations ("HHS"); The Indiana Attorney General's Medicaid Fraud Control Unit ("MFCU"), and the Federal Bureau of Investigation ("FBI").

U.S. Attorney Hogsett said, "Medicaid Fraud takes resources from the neediest of our citizens. The U.S. Attorney's Office will continue to work side-by-side with HHS, MFCU and FBI to investigate and prosecute those individuals who, through their own greed, take advantage of programs designed to assist people with medical needs."

"By fraudulently billing Indiana Medicaid for medical devices she never provided, this defendant exploited Medicaid patients and the taxpayers alike. The Indiana Attorney General's Office works closely with our federal counterparts in the U.S. Attorney's Office and U.S. Department of Health and Human Services - Office of Inspector General to shut down such illegal schemes and claw back funds owed to Medicaid," said Deputy Attorney General Timothy McClure, deputy director of Indiana Attorney General Greg Zoeller's Medicaid Fraud Control Unit (MFCU).

"The investigation and today's sentencing of Ms. Jones for Medicaid fraud results from the strong partnership between State and Federal law enforcement agencies," said Lamont Pugh, Special Agent in Charge of the U.S. Department of Health & Human Services, Office of Inspector General - Chicago Region which covers Indiana. "Coordinating our efforts on all governmental levels means that criminals seeking to use Medicaid patients as pawns for profit can count on authorities being there to hold them accountable for their actions."

In July 2010, HHS discovered what it suspected to be fraud in regard to aberrant billing patterns submitted by a company named ASAP Home Medical Supply (“ASAP”). They determined that ASAP was owned and operated by Flora Jones and that it provided durable medical equipment (“DME”), such as power wheel chairs, to Indiana Medicaid beneficiaries.

Specifically, billing pattern showed that Jones had submitted claims representing that numerous patients had received multiple oximeters, multiple power wheelchairs, and multiple other expensive DME products within short periods of time. A practice which was extremely out of the ordinary.

Government agents of HHS and MFCU then began interviewing Medicaid recipients to determine if Jones actually had provided the services she had billed. Interviews revealed that Jones was systematically billing for various expensive items of DME which were never provided.

Specifically, she billed and was paid on numerous occasions for the following items which were never provided:

Paid \$9,115.60 for each power wheelchair, group 3 extra heavy duty, captain’s chair, patient weight 601 pounds or more. There were four such claims submitted.

Paid \$2,399.99 for each oximeter device for measuring blood oxygen levels non-invasively. There were 45 such claims submitted.

Paid \$1,022.24 for each humidifier, durable for extensive supplemental humidification during IPPB (intermittent positive breathing treatment) treatments or oxygen delivery). There were 33 such claims submitted.

Paid \$826.44 for each lumbar-sacral orthosis (various models of back braces). There were 10 such claims submitted.

Paid \$10,300 pressure alternating mattress. There was one such claim submitted.

On August 26, 2010, during the execution of a Federal search warrant at ASAP by HHS, MFCU, and FBI, Jones was interviewed by Government agents. Jones confessed that she knowingly and frequently billed Indiana Medicaid for various items of DME when in fact the items had not been provided. Jones admitted to frequently billing oximeter machines, power wheelchairs, back braces, and other DME items which were never provided. Jones admitted that she knew it was wrong to submit these claims for services not rendered.

Jones was charged on November 15, 2010 in Federal Court with one-count of healthcare fraud, she filed a plea agreement the same day. As a result of the fraudulent claims, Indiana Medicaid was defrauded of \$199,294.86.

According to Assistant U.S. Attorney Bradley P. Shepard, who prosecuted the case for the government, Judge Walton Pratt also imposed 2 years supervised release following Jones’s

release from prison. During the period of supervised release, Jones must not seek employment from an organization that accepts federal funds during the term of here supervised release. Jones was ordered to make restitution in the amount of \$199,294.86.

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